

Hearing Date: November 15, 2017, 9:30 a.m.

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

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In re:	PROMESA
THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,	Title III
as representative of	No. 17 BK 3283-LTS
THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i> ,	(Jointly Administered)
Debtors. ¹	

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**OMNIBUS JOINT STATUS REPORT REGARDING NATIONAL PUBLIC
FINANCE GUARANTEE CORP., AMBAC, AND GO BONDHOLDERS,
ASSURED GUARANTY & MUTUAL FUND GROUP RULE 2004 MOTIONS**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the: (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808).

To the Honorable United States Magistrate Judge Judith Gail Dein:

The Commonwealth of Puerto Rico (the “Commonwealth”), the Puerto Rico Sales Tax Financing Corporation (“COFINA”), the Puerto Rico Highways and Transportation Authority (“HTA”), and the Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS” and together with the Commonwealth, COFINA, and HTA, the “Debtors”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the Debtors’ representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² (ii) the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF” and together with the Debtors and Oversight Board, the “Respondents”), (iii) National Public Finance Guarantee Corporation (“National”), (iv) the Ad Hoc Group of General Obligation Bondholders (the “GO Bondholders”), (v) Assured Guaranty Corp. and Assured Guaranty Municipal Corp. (together, “Assured”), (vi) the Mutual Fund Group (“MFG”), (vii) Ambac Assurance Corporation (“Ambac”), (viii) the Official Committee of Unsecured Creditors of all title III Debtors (other than COFINA) (the “Committee”), and (ix) the “ERS Bondholders”³ respectfully submit this omnibus joint status report (the “Omnibus Joint Status Report”) in response to the Court’s October 19, 2017 “Order for Joint Status Reports Regarding Motions for Order Authorizing Rule 2004 Examinations” [ECF No. 1471].

² PROMESA has been codified in 48 U.S.C. §§ 2101–2241.

³ The ERS Bondholders are a group of holders of bonds issued by ERS comprised of Altair Global Credit Opportunities Fund (A), LLC; Andalusian Global Designated Activity Company; Glendon Opportunities Fund, L.P.; Mason Capital Master Fund LP; Nokota Capital Master Fund, L.P.; Oaktree-Forrest Multi-Strategy, LLC (SERIES B); Oaktree Opportunities Fund IX, L.P.; Oaktree Opportunities Fund IX (PARALLEL 2), L.P.; Oaktree Value Opportunities Fund, L.P.; Ocher Rose, L.L.C.; and SV Credit, L.P. National, the GO Bondholders, Assured, MFG, Ambac, the Committee, and the ERS Bondholders are collectively referred to as the “Movants.” The Movants and Respondents are collectively referred to as the “Parties.”

The Parties report as follows:

On August 25, 2017, National filed the “Motion of National Public Finance Guarantee Corporation for Entry of an Order Pursuant to Bankruptcy Rule 2004 Authorizing Discovery” [ECF No. 1177] (the “National Motion”) and the GO Bondholders, Assured and MFG filed the “Joint Motion by the Ad Hoc Group of General Obligation Bondholders, Assured Guaranty Corp., Assured Guaranty Municipal Corp., and the Mutual Fund Group for Order Authorizing Rule 2004 Examination” [ECF No. 1178] (the “GO Motion”). On September 12, 2017, Ambac filed “Ambac Assurance Corporation’s Motion for Entry of Order Authorizing Discovery under Bankruptcy Rule 2004” [ECF No. 1283] (the “Ambac Motion”). On September 19, 2017, the ERS Bondholders filed the “ERS Secured Creditors Joinder to Rule 2004 Motions” [ECF No. 1340] (the “Joinder Motion”) seeking joinder to the National Motion and the GO Motion. On November 2, 2017, the Committee filed the “Limited Joinder of Official Committee of Unsecured Creditors to (I) Motion of National Public Finance Guarantee Corporation for Entry of Order Pursuant to Bankruptcy Rule 2004 Authorizing Discovery; (II) Joint Motion by Ad Hoc Group of General Obligation Bondholders, Assured Guaranty Corp., Assured Guaranty Municipal Corp., and Mutual Fund Group for Order Authorizing Rule 2004 Examination; and (III) Ambac Assurance Corporation’s Motion for Entry of Order Authorizing Discovery Under Bankruptcy Rule 2004” [ECF No. 1603] (the “Limited Committee Joinder”).⁴

The Motions seek entry of an order, pursuant to Fed. R. Bankr. P. 2004(b), (1) compelling Respondents to produce certain documents and materials; (2) compelling the deposition of individual members of the Oversight Board; (3) compelling the Commonwealth and AAFAF to

⁴ The National Motion, GO Motion, Ambac Motion and Joinder Motion are collectively referred to as the “Motions,” and the Limited Committee Joinder joins the Motions in part.

designate for deposition a witness or witnesses knowledgeable about certain specified topics; and (4) authorizing Movants to serve subpoenas on third parties as to certain specified topics without further leave of the Court.⁵

On September 19, 2017, the Debtors filed “Debtors’ Omnibus Objection to Motions for Orders Authorizing Rule 2004 Discovery” [ECF No. 1345] (the “Omnibus Objection”).⁶ On September 29, 2017, the Debtors filed “Debtors’ Objection to the ERS Bondholders’ Motion for Proposed Joinder to Rule 2004 Motions.” [ECF No. 1380] (the “Joinder Objection”). On October 31, 2017, AAFAF filed “The Puerto Rico Fiscal Agency and Financial Advisory Authority Joinder to Debtor’s Omnibus Objection to Motions for Orders Authorizing Rule 2004 Discovery” [ECF No. 1582] (“AAFAF’s Objection”).⁷ Movants replies are due by November 7, 2017. The matter is scheduled to be heard at the Omnibus Hearing on November 15, 2017 at 9:30 a.m.⁸

On October 31, 2017, the Parties (other than the Committee) met and conferred to discuss the Motions, Objections and this Omnibus Joint Status Report. The Parties have not resolved this dispute: Movants maintain that they have demonstrated that they are entitled to the requested relief and Respondents maintain that Movants are not entitled to any discovery under Rule 2004. During the meet and confer, counsel for Respondents advised counsel for Movants that Respondents planned to seek leave of the Court to file a short supplemental memorandum of law advising the Court of (1) the impact of the determination announced by the Oversight Board on October 31, 2017 to revise the Fiscal Plan following the devastation caused by Hurricanes Irma and Maria; and

⁵ See ECF Nos. 1177, 1178, 1283 and 1340.

⁶ The Omnibus Objection opposed the National Motion, GO Motion, and Ambac Motion.

⁷ The Omnibus Objection, the Joinder Objection, and AAFAF’s Objection are collectively referred to as the “Objections.”

⁸ See ECF No. 1381.

(2) the impact of the withdrawal of one of the adversary proceedings to which National and Assured were plaintiffs.

The Parties have agreed that Movants will not object to the Respondents filing a motion requesting permission from the Court to file a supplemental brief of less than six pages, by 3:00 p.m. (EDT) on November 3, 2017, to which Movants may include their responses in their replies to the Objections to be filed on November 7, 2017.

The Parties look forward to appearing before the Court to address the issues raised in the Motions. By filing this Omnibus Joint Status Report, the Parties do not waive or release any rights.

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Dated: November 3, 2017
San Juan, Puerto Rico

Respectfully submitted,

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